

Department of Energy

§ 451.2

SCREENS, WINDOW FILMS, AND REFLECTIVE MATERIALS—Continued

[Standards for conformance]

Window films	Commercially available.
Shade screens:	
Fiberglass shade screens ...	Commercially available.
Polyester shade screens	Commercially available.
Rigid awnings:	
Wood rigid awnings	Commercially available.
Metal rigid awnings	Commercially available.
Louver systems:	
Wood louver systems	Commercially available.
Metal louver systems	Commercially available.
Industrial-grade white paint used as a heat-reflective measure on awnings, window louvers, doors, and exterior duct work (exposed).	Commercially available.

[58 FR 12529, Mar. 4, 1993]

PART 445—[RESERVED]

PART 451—RENEWABLE ENERGY PRODUCTION INCENTIVES

Sec.

- 451.1 Purpose and scope.
 - 451.2 Definitions.
 - 451.3 Who may apply.
 - 451.4 What is a qualified renewable energy facility.
 - 451.5 Where and when to apply.
 - 451.6 Duration of incentive payments.
 - 451.7 Metering requirements.
 - 451.8 Application content requirements.
 - 451.9 Procedures for processing applications.
 - 451.10 Administrative appeals.
- AUTHORITY: 42 U.S.C. § 7254; 42 U.S.C. § 13317.

SOURCE: 60 FR 36964, July 19, 1995, unless otherwise noted.

§ 451.1 Purpose and scope.

(a) The provisions of this part cover the policies and procedures applicable to the determinations by the Department of Energy (DOE) to make incentive payments for electric energy generated and sold by a qualified renewable energy facility owned by a State or nonprofit electric cooperative under the authority of 42 U.S.C. 13317.

(b) Determinations to make incentive payments under this part are not subject to the provisions of 10 CFR part 600 and such payments shall not be construed to be financial assistance.

§ 451.2 Definitions.

As used in this part—

Closed-loop biomass means any organic material from a plant which is planted exclusively for purposes of being used at a qualified renewable energy facility to generate electricity or from a second harvesting of such a plant if planted before October 1, 1993.

Deciding Official means the Assistant Secretary for Energy Efficiency and Renewable Energy (or any DOE official to whom the authority of the Assistant Secretary may be redelegated by the Secretary of Energy).

DOE means the Department of Energy.

Finance Office means the DOE Office of the Chief Financial Officer (or any office to which that Office's authority may be redelegated by the Secretary of Energy).

Fiscal year means the Federal fiscal year beginning October 1 and ending on September 30 of the following calendar year.

Net electric energy means the metered kilowatt-hours (kWh) generated and sold, and excludes electric energy used within the renewable energy facility to power equipment such as pumps, motors, controls, lighting, heating, cooling, and other systems needed to operate the facility.

Nonprofit electrical cooperative means a cooperative association that is legally obligated to operate on a nonprofit basis and is organized under the laws of any State for the purpose of providing electric service to its members.

Renewable energy facility means a single module or unit, or an aggregation of such units, that generates electric energy which is independently metered and which results from the utilization of a renewable energy source.

Renewable energy source means solar heat, solar light, wind, geothermal energy, and biomass, except for—

(1) Heat from the burning of municipal solid waste; or

§ 451.3

(2) Heat from a dry steam geothermal reservoir which—

(i) Has no mobile liquid in its natural state;

(ii) Is a fluid composed of at least 95 percent water vapor; and

(iii) Has an enthalpy for the total produced fluid greater than or equal to 2.791 megajoules per kilogram (1200 British thermal units per pound).

State means the District of Columbia, Puerto Rico, and any of the States, territories, and possessions of the United States.

§ 451.3 Who may apply.

Any owner, or operator with the written consent of the owner, but not both, of a qualified renewable energy facility, may apply for incentive payments for net electric energy generated from a renewable energy source and sold.

§ 451.4 What is a qualified renewable energy facility.

In order to qualify for an incentive payment under this part, a renewable energy facility must meet the following qualifications—

(a) *Owner qualifications.* The owner must be—

(1) A State or a political subdivision of a State (or agency, authority, or instrumentality thereof);

(2) A corporation or association wholly owned, directly or indirectly, by a State or a political subdivision of a State; or

(3) A nonprofit electrical cooperative.

(b) *What constitutes ownership.* The owner must have all rights to the beneficial use of the renewable energy facility, and legal title must be held by, or for the benefit of, the owner.

(c) *Sales affecting interstate commerce.* The net electric energy generated by the renewable energy facility must be sold to another entity for consideration.

(d) *Type of renewable energy sources.* The source of the electric energy for which an incentive payment is sought must be a renewable energy source, as defined in § 451.2.

(e) *Time of first use.* The date of the first use of a newly constructed renewable energy facility, or a facility covered by paragraph (f) of this section,

10 CFR Ch. II (1–1–97 Edition)

must occur during the inclusive period beginning October 1, 1993, and ending on September 30, 2003.

(f) *Conversion of non-qualified facilities.* Existing non-qualified facilities that are converted must meet either of the following criteria—

(1) A facility employing solar, wind, geothermal or biomass sources must be refurbished during the allowed time of first use such that the fair market value of any previously used property does not exceed 20% of the facility's total value.

(2) A facility not employing solar, wind, geothermal or biomass sources must be converted in part or in whole to a qualified facility during the allowed time of first use.

(g) *Location.* The qualified renewable energy facility must be located in a State.

§ 451.5 Where and when to apply.

(a) *Pre-application and notification.* (1) An applicant may submit at any time a pre-application, containing the information described in § 451.8 (a) through (e), to obtain a preliminary and conditional determination of eligibility.

(2) To assist DOE in its budget planning, the owner or operator of a qualified renewable energy facility is requested to provide notification at least 6 months in advance of when a facility is expected to be first used, providing projected information specified in § 451.8 (a) through (e).

(b) *Application.* (1) Except as provided by paragraph (b)(2) of this section, an application for an incentive payment for electric energy generated and sold in a fiscal year must be filed during the first quarter (October 1 through December 31) of the next fiscal year.

(2) For energy generated and sold in fiscal year 1994, an application for incentive payment must be filed on or before September 5, 1995.

(3) Failure to file an application in any fiscal year for payment for energy generated in the preceding fiscal year shall disqualify the owner or operator from eligibility for any incentive payment for energy generated in that preceding fiscal year.

Department of Energy

§ 451.8

(c) *Where.* Applications and notifications to the Department shall be submitted to the Renewable Energy Production Incentive Program, U.S. Department of Energy, Golden Field Office, 1617 Cole Boulevard, Golden, CO, 80401.

§ 451.6 Duration of incentive payments.

Subject to the availability of appropriated funds, DOE shall make incentive payments under this part with respect to a qualified renewable energy facility for 10 fiscal years. Such period shall begin with the fiscal year in which application for payment for electricity generated by the facility is first made and the facility is determined by DOE to be eligible for receipt of an incentive payment. The period for payment under this program ends with fiscal year 2013.

§ 451.7 Metering requirements.

The net electric energy generated and sold (kilowatt-hours) by the owner or operator of a qualified renewable energy facility must be measured by a standard metering device that—

- (a) Meets generally accepted industry standards;
- (b) Is maintained in proper working order according to the instructions of its manufacturer; and
- (c) Is calibrated according to generally accepted industry standards.

§ 451.8 Application content requirements.

An application for an incentive payment under this part must be signed by an authorized executive official and shall provide the following information—

- (a) A statement indicating that the applicant is the owner, of the facility or is the operator of the facility and has the written consent of an authorized executive official of the owner to file an application;
- (b) The name of the facility or other official designation;
- (c) The location and address of the facility and type of renewable energy source;
- (d) The name, address, and telephone number of a point of contact to respond

to questions or requests for additional information;

(e) A clear statement of how the application satisfies each and every part of the eligibility criteria under § 451.4;

(f) A statement of the annual and monthly metered net electric energy generated and sold during the prior fiscal year by the qualified renewable energy facility, measured in kilowatt-hours, for which an incentive payment is requested;

(g) In the case of a qualified renewable energy facility which generates electric energy using a fossil fuel, nuclear energy, or other non-qualified energy source in addition to using a renewable energy source, a statement of the net electric energy generated, measured in kilowatt-hours, attributable to the renewable energy source, including a calculation showing the total monthly and annual kilowatt-hours generated and sold during the fiscal year multiplied by a fraction consisting of the heat input, as measured in appropriate energy units, received by the working fluid from the renewable energy sources divided by the heat input, as measured in the same energy units, received by the working fluid from all energy sources;

(h) the amounts of accrued electric energy, by sources and by year, in kilowatt-hours, for which the applicant previously applied and DOE did not make an incentive payment because of insufficient appropriations;

(i) The total amount of electric energy for which payment is requested, including the net electric energy generated in the prior fiscal year, as determined according to paragraph (f) or (g) of this section, and the accrued energy as determined according to paragraph (h) of this section;

(j) Preferred method of payment (check or wire transfer) and instructions;

(k) A statement agreeing to retain records for a period of three (3) years which substantiate the annual and monthly metered number of kilowatt-hours generated and sold, and to provide access to, or copies of, such records within 30 days of a written request by DOE; and

(l) A statement signed by an authorized executive official certifying that

the information contained in the application is accurate.

(m) If a nonprofit electric cooperative, a statement certifying that no claim for tax credit has been made for the same electricity for which incentive payments are requested.

§451.9 Procedures for processing applications.

(a) *Supplemental information.* DOE may request supplementary information relating to the application.

(b) *Audits.* DOE may require the applicant to conduct at its own expense and submit an independent audit, or DOE may conduct an audit, to verify the number of kilowatt-hours claimed to have been generated and sold by the qualified renewable energy facility and for which an incentive payment has been requested or made.

(c) *DOE determinations.* Upon evaluating the application and any other relevant information, DOE shall determine:

(1) Eligibility of the applicant for receipt of an incentive payment, based on the criteria for eligibility specified in this part; and

(2) The number of kilowatt-hours to be used in calculating the incentive payment, based on the sum of net electric energy generated from a qualified renewable energy source at the qualified renewable energy facility and sold during the prior fiscal year, and any accrued energy.

(d) *Calculating payments.* Subject to the provisions of paragraph (e) of this section, incentive payments under this part shall be determined by multiplying the number of kilowatt-hours determined under §451.9(c)(2) by 1.5 cents per kilowatt-hour, and adjusting that product for inflation for each fiscal year beginning after calendar year 1993 in the same manner as provided in section 29(d)(2)(B) of the Internal Revenue Code of 1986, except that in applying such provisions calendar year 1993 shall be substituted for calendar year 1979.

(e) *Insufficient Funds.* The Assistant Secretary for Energy Efficiency and Renewable Energy shall determine the extent to which appropriated funds are available to be obligated under this program for each fiscal year. If funds determined to be available under the

preceding sentence are not sufficient to make full incentive payments for all approved applications, DOE shall—

(1) Make incentive payments first, and if necessary on a pro rata basis, to owners or operators of qualified renewable energy facilities using solar, wind, geothermal, and closed-loop biomass technologies;

(2) Make incentive payments second, and if necessary on a pro rata basis, to owners or operators of all other qualified renewable energy facilities.

(3) Treat the number of kilowatt-hours for which an incentive payment is not made as a result of insufficient appropriations as accrued energy for which subsequent application for incentive payment may be made.

(f) *Notice to applicant.* After calculating the amount of the incentive payment under paragraphs (e) through (g) of this section, the DOE Deciding Official shall then issue a written notice of the determination to the applicant—

(1) Approving the application as eligible for payment and forwarding a copy to the DOE Finance Office with a request to pay;

(2) Setting forth the calculation of the approved amount of the incentive payment; and

(3) Stating the amount of accrued energy, measured in kilowatt-hours, for each qualified renewable energy facility, if any, and the energy source for same.

(g) *Disqualification.* If the application does not meet the requirements of this part or some of the kilowatt-hours claimed in the application are disallowed as unqualified, the Deciding Official shall issue a written notice denying the application in whole or in part with an explanation of the basis for denial.

§451.10 Administrative appeals.

(a) In order to exhaust administrative remedies, an applicant who receives a notice denying an application in whole or in part shall appeal, on or before 45 days from date of the notice issued by the DOE Deciding Official, to the Office of Hearings and Appeals, 1000 Independence Avenue, S.W., Washington, D.C. 20585, in accordance with the procedures set forth in subpart C of 10 CFR part 1003.

(b) If an applicant does not appeal under paragraph (a) of this section, the determination of the DOE Deciding Official shall become final for DOE and judicially unreviewable.

(c) If an applicant appeals on a timely basis under paragraph (a) of this section, the decision and order of the Office of Hearings and Appeals shall be final for DOE.

(d) If the Office of Hearings and Appeals orders an incentive payment, the DOE Deciding Official shall send a copy of such order to the DOE Finance Office with a request to pay.

PART 455—GRANT PROGRAMS FOR SCHOOLS AND HOSPITALS AND BUILDINGS OWNED BY UNITS OF LOCAL GOVERNMENT AND PUBLIC CARE INSTITUTIONS

Subpart A—General Provisions

Sec.

- 455.1 Purpose and scope.
- 455.2 Definitions.
- 455.3 Administration of grants.
- 455.4 Recordkeeping.
- 455.5 Suspension and termination of grants.

Subpart B—State Plan Development and Approval

- 455.20 Contents of State Plan.
- 455.21 Submission and approval of State Plans and State Plan amendments.

Subpart C—Allocation of Appropriations Among the States

- 455.30 Allocation of funds.
- 455.31 Allocation formulas.
- 455.32 Reallocation of funds.

Subpart D—Preliminary Energy Audit and Energy Audit Grants [Reserved]

Subpart E—Technical Assistance Programs for Schools, Hospitals, Units of Local Government, and Public Care Institutions

- 455.60 Purpose.
- 455.61 Eligibility.
- 455.62 Contents of a technical assistance program.
- 455.63 Cost-effectiveness testing.
- 455.64 Life-cycle cost methodology.

Subpart F—Energy Conservation Measures for Schools and Hospitals

- 455.70 Purpose.
- 455.71 Eligibility.
- 455.72 Scope of the grant.

Subpart G—State Administrative Expenses

- 455.80 Purpose.
- 455.81 Eligibility.
- 455.82 Scope of the grant.

Subpart H—State Grants for Technical Assistance, Program Assistance, and Marketing

- 455.90 Purpose.
- 455.91 Eligibility.
- 455.92 State technical assistance awards.

Subpart I—Cost Sharing

- 455.100 Limits to Federal share.
- 455.101 Borrowing the non-Federal share/ title to equipment.
- 455.102 Energy conservation measure cost-share credit.
- 455.103 Requirements for applications for credit.
- 455.104 Rebates from utilities and other entities.

Subpart J—Applicant Responsibilities—Grants to Institutions and Coordinating Agencies

- 455.110 Grant application submittals for technical assistance and energy conservation measures.
- 455.111 Applicant certifications for technical assistance and energy conservation measure grants to institutions and coordinating agencies.
- 455.112 Davis-Bacon wage rate requirement.
- 455.113 Grantee records and reports for technical assistance and energy conservation measure grants to institutions and coordinating agencies.

Subpart K—Applicant Responsibilities—Grants to States

- 455.120 Grant applications for State administrative expenses.
- 455.121 Grant applications for State technical assistance, program assistance, and marketing programs.
- 455.122 Applicant certifications for State grants for technical assistance, program assistance, and marketing.
- 455.123 Grantee records and reports for State grants for administrative expenses, technical assistance, program assistance, and marketing.